

Majority Message

U.S. SENATE REPUBLICAN CONFERENCE

Senator Rick Santorum, Chairman

Senator Kay Bailey Hutchison, Vice Chairman

Marriage, Jobs, and Iraq



Tuesday, July 13, 2004



SENATE REPUBLICAN CONFERENCE

RICK SANTORUM, CHAIRMAN

SENATE VOTES ON A CONSTITUTIONAL AMENDMENT TO PROTECT MARRIAGE

Key Themes:

- **Our goal is to protect marriage as the union of a man and a woman.** Marriage is a core social institution facing many threats, including the threat from activist courts seeking to redefine it.
- **The marriage debate should be about safeguarding the best environment for raising children.** Alternative families can lovingly raise kids, but decades of studies show children do best when raised by a married mother and father.
- **The American people must have a voice.** The people through their elected representatives, not unelected judges, should decide the future of marriage.

Why vote on an amendment now?

- When activist courts strike down our marriage laws as “unconstitutional,” the only way to protect marriage is a constitutional amendment.
- Gays and lesbians have a right to live as they choose, but they don’t have a right to redefine marriage.
- This vote is the beginning of an important national debate, and all Senators should go on record for their constituents.
- The amendment sends a positive message to children about marriage, family and their future.

Frequently asked questions:

Why would you deny homosexuals the right to marry the person of their choosing?

Marriage is the union of a man and a woman. Gays and lesbians have a right to live as they choose, but they don’t have a right to redefine marriage.

Isn’t this an effort to use a divisive issue for election-year politics?

It was the Massachusetts Supreme Court that overturned marriage law in November 2003, forcing the state to issue marriage licenses to same-sex couples starting on May 17. Congress is responding to ensure that the people have a say about the future of marriage.

Why can’t you wait and let the states decide for themselves?

Activist courts are dictating the timing. Same-sex couples from 46 states have traveled to Massachusetts, California and Oregon to receive marriage licenses and returned to their home states to sue for recognition.

Update on State-Level Same-Sex Marriage Action (compiled by the Senate Republican Policy Committee) as of July 7, 2004

Important Updates:

Maryland — The ACLU has filed a state court lawsuit demanding that Maryland grant marriage licenses to same-sex couples.

Arkansas — Organizers submitted more than 200,000 signatures for a ballot initiative to the Arkansas state constitution that would protect traditional marriage. Only 80,575 are needed to qualify.

Michigan — Organizers have submitted more than 475,000 signatures in their effort to get a constitutional amendment on the state ballot this November. Only 317,000 were needed.

Oregon — Signature-gathering to place a constitutional amendment on the ballot has been very successful. Nearly 250,000 signatures — more than twice the required number — were submitted to the state government for review.

Ohio — Marriage defenders have until Aug. 4 to gather the signatures for a proposed fall ballot initiative. They need 322,899.

Overall highlights:

11 states are facing court challenges to their marriage laws. Same-sex couples are currently challenging the marriage laws of California, Florida, Indiana, Maryland, Nebraska, New Jersey, New Mexico, New York, Oregon, Washington, and West Virginia. In addition, lawsuits have been filed in Alaska and Montana to force the state to grant marital benefits to same-sex couples.

At least 9 states expect to have state constitutional amendments on 2004 ballot. State constitutional amendments protecting traditional marriage are expected to appear on the November ballots in Arkansas, Georgia, Kentucky, Michigan, Mississippi, Oklahoma, and Utah. Missouri will have an initiative on the August ballot. Louisiana will have an initiative on the September ballot.

Another 4 states are facing signature-gathering campaigns to place constitutional amendments on the November 2004 ballot, including Montana, North Dakota, Ohio, and Oregon.

Legislation has been introduced in at least 35 states aimed at preserving the traditional definition of marriage.

5 states are still considering state constitutional amendments in their legislatures. Proposed constitutional amendments are still pending in five state legislatures — Delaware, Illinois, Michigan, North Carolina, and Vermont.

1.5 Million Jobs Created Since August with 10 Straight Months of Job Gains

The President's Economic Policies Continue to Drive Steady Job Growth and Strengthen the Economy

Recent Presidential Action

- Last Friday at the White House, President Bush discussed with entrepreneurs from across the country his small business agenda and his six-point plan to continue to strengthen America's economic recovery and create jobs in America. New jobs figures released Friday and other recent indicators show that President Bush's economic policies are working — but there is more work to do.
- **The economy has posted steady job gains for each of the last ten months — creating more than 1.5 million jobs since August.** According to statistics released today by the Bureau of Labor Statistics (BLS), 112,000 new jobs were created in June.
 - Nearly 1.3 million jobs have been added since the beginning of the year.
 - The national unemployment rate stayed constant at 5.6% in June — down 0.7 percentage point from a peak of 6.3% a year ago. At 5.6%, the unemployment rate is below the average of the 1970s, 1980s, and 1990s.
 - Employment over the last year was up in 44 of the 50 states and the unemployment rate was down in all regions and in 46 of the 50 states.
 - **National manufacturing employment is up by 64,000 jobs since its low in January.** The ISM Manufacturing survey's employment index reached a 30-year high in May and remained strong in June, indicating further gains in manufacturing employment.
 - The household survey shows a similar increase in jobs, up 1.7 million since August.
 - **Unemployment rates have fallen across all levels of education, races, and ages over the past year.**
 - For people without a college degree, the unemployment rate is down by 0.7 percentage point.
 - For both African-Americans and Latinos, the unemployment rate is down by 1.5 percentage points.
 - For teenagers, the unemployment rate is down by 2.2 percentage points.

Background: President Bush's Actions are Driving Our Economy Forward – Now is Not the Time to Turn Back

- **President Bush's economic policies are working. The economy is strong and growing stronger.** Factories are busier, families are earning more, homeownership remains at record levels, and people are finding work.
- **Economic growth since last summer has been the fastest in nearly 20 years.** The American economy grew at a strong annual pace of 3.9 percent during the first quarter of 2004 — above the historical average, and continuing the strong growth seen over the previous two quarters.
- **America's standard of living is on the rise. Real after-tax incomes are up by 11 %** since December 2000 — substantially better than the gains following the last recession. Since the President's 2001 and 2003 tax cuts, personal consumption levels have risen significantly.
- **Retail sales** other than motor vehicles in the first quarter of 2004 increased 11.8 percent, more than double the average annual rate of growth over the last decade.
- **Consumer confidence** is at its highest level in 2 years. The Conference Board's index of consumer confidence increased over 18 index points in the past 12 months, from 83.5 last June to 101.9 this June.
- **New housing construction** in May remains at levels near those of December 2003, when they were at their highest in almost 20 years.
- **The national homeownership rate**, in the first quarter of 2004, remained at the record high of 68.6 percent set in the previous quarter.
- **Minority homeownership** set a new quarterly record of 50.8 percent in the first quarter, up 0.2 percentage point from the fourth quarter and up 1.5 percentage points from the first quarter of 2003.
- **Inflation** remains low by historical standards, with the core CPI (Consumer Price Index) and the core finished-goods PPI (Producer Price Index) both rising only 1.7 percent over the last 12 months.
- **Mortgage rates** remain near historic lows, making homebuying easier and more affordable.
- **Productivity** grew from 2000 to 2003 at the fastest 3-year rate in more than 50 years. This has bolstered profits and will lead to significantly higher real wages for workers.
- **State tax revenue** grew by 8.1 percent over the four quarters ending in March 2004, with nearly all of it attributable to the improving economy rather than to increased taxes — fully 7.1 percent of the revenue gains reflected the economic recovery. This is the best four-quarter growth rate in nearly 4 years.
- **Manufacturers** have been reporting increased activity and new orders more than at any time in the last 20 years.
- From its low in mid 2002, the **stock market** is up about 40% and the NASDAQ is up almost 70%.

- **Many Americans are working hard to make ends meet. We must continue to push forward on a pro-growth economic agenda that meets the needs of the American people.**
- **Making tax relief permanent** — raising taxes now would put the brakes on our growing economy.
- **Providing worker skills** — preparing Americans for the skilled jobs our economy will create in the years to come.
- **Controlling health care costs** — giving America's working families greater access to affordable health insurance by providing association health plans and health savings accounts.
- **Reducing regulation** — ensuring that Federal regulations do not unduly handicap America's entrepreneurs by streamlining regulations and reducing paperwork.
- **Reducing frivolous lawsuits** — supporting enactment of medical liability reform, class action lawsuit reforms, and asbestos litigation reforms to expedite resolutions and curb the costs lawsuits impose on American businesses.
- **Adopting a National Energy Policy (NEP)** — ensuring that America has a reliable and affordable source of energy and reducing our dependence on foreign sources.
- **Opening new markets overseas** — helping to create jobs at home by expanding markets for America's products and services around the world.

Frequently Asked Questions

Frequently asked questions regarding our economic recovery.

Are you concerned that inflation will cut into the gains consumers have made and threaten the recovery?

- Inflation is still low by historical standards. Core consumer price inflation has been 1.7 percent over the last 12 months, compared to an average 12-month rate of 3.3 percent over the last 20 years. Last year when growth had yet to really take hold, there was talk of deflation. Fortunately, our economy is now strong and growing.
- Employment is up (added 112,000 jobs in June and 1.5 million jobs since August);
- Retail sales outside of motor vehicles have increased at an 11.6 percent annual rate in the first 5 months of 2004, more than double the average annual rate of growth over the last decade; and
- Business confidence is up (the Conference Board CEO confidence survey is at the highest level in the last 20 years, and the ISM surveys of manufacturing and non-manufacturing have indicated expansion for several months).
- We will keep a close watch on inflation. The Federal Open Market Committee recently said that “long-term inflation expectations appear to have remained well contained.”

Are the President’s policies creating a “middle class squeeze” where people’s wages are going down while other costs go up?

- The pessimists look at all the economic progress we have made and claim that American families are still falling behind. But they don’t offer much evidence. In fact, as our economy has come back, America’s families are doing a lot better. Because of the President’s tax relief and low inflation, families have more money to spend, not less. Real disposable income has risen 11% since the beginning of 2001. Total compensation is up nearly 4% in the last year. Housing is more affordable – as are clothing and automobiles. A near record number of families, including minorities, own their own home today. Higher growth and higher productivity are leading to better paying jobs. We are seeing job growth across the country and in every industry sector, including new jobs in high-paying industries such as construction, education, and professional services. And, these are good jobs in growing industries.

Some argue that the new jobs being created are replacing good-paying jobs with low-paying jobs. Is that true?

- We are seeing broad-based job creation throughout the economy and in virtually every sector, including traditionally high-paying sectors such as information, construction, financial activities, and professional and business services.
- Real disposable personal income – the amount of money Americans have in their pocket – has increased 11% since the President took office.
- Total compensation – wages and benefits – has increased nearly 4% during the last year.

How do you respond to claims that the President's tax cuts benefit only the rich?

- The tax cuts help all Americans who paid income taxes, especially those at the lowest end of the income brackets. 111 million taxpayers have more money in their pockets as a result of the tax relief, and they are putting that money to work for themselves and their families.
- The 2003 tax relief package gave larger tax reductions to lower-income groups. The average income tax reduction ranges from more than 15 percent for taxpayers with income under \$30,000 to about 11 percent for taxpayers with income over \$100,000. The average income tax reduction across all income groups is 11.9 percent.
- Because the percentage reduction in income taxes is greatest for families with incomes under \$50,000, these families will pay a smaller share of the total income tax burden under the 2003 Jobs and Growth Act than they did before.
- Conversely, families with income of \$100,000 or more receive a smaller than average percentage reduction in income taxes so they will pay a larger share of the total income tax burden. Under the Jobs and Growth Act, the share of income taxes paid by families with incomes of \$100,000 or more will rise to 73.3 percent.

Is the President concerned about the impact of rising interest rates?

- The President is pleased that the economy is growing as a result of sound fiscal and monetary policies. While we do not comment on or predict interest rates, the President has great confidence in Chairman Greenspan and the Federal Reserve to deal with those issues.

What can the President do in the short term to address the skyrocketing gas prices?

- The President is very concerned about gas prices. High gas prices place a burden on the family, the budget, and the economy.
- High gasoline prices reflect a tight supply, specifically increasing demand and limited refinery capacity. These are problems that have been years in the making and cannot be fixed overnight. We need comprehensive solutions, not patchwork crisis management. Congress needs to finish action on the President's energy plan so we can be less dependent on foreign sources of energy.

- The most important thing the government can do in the near term is to ensure that markets work as effectively as possible. The Department of Energy will continue to monitor the markets and energy supplies and keep industry, consumers, and policy-makers informed. The Administration will continue to monitor “price gouging.” We will respond to local incidents that may produce regional price spikes.

Why not temporarily repeal some or all of the 18.4 cent/gallon Federal gas tax?

- The President is always interested in ways to reduce the tax burden on American families and consumers. But repealing part or all of the gas tax would reduce critical funding for fixing America’s highways and bridges.
- The President wants to move forward on a long-term solution to a problem that has been very long in the making. A temporary repeal of the gas tax does not solve the underlying long-term problems causing high gas prices – namely, insufficient domestic refining capacity and increased demand for motor fuels have led to high world oil prices, especially in Asia and the United States.

Will the President tap or defer shipments into the Strategic Petroleum Reserve?

- No. The President will not play politics with the Strategic Petroleum Reserve (SPR). The SPR is vital to our national security, and filling it to its 700 million barrel capacity is necessary to maximize protection for American consumers and our economy against severe oil supply disruptions, which could result from a variety of events, including natural disasters, industrial accidents, and terrorist attacks.
- Premature use of the Strategic Petroleum Reserve would put America in a dangerous position in the war on terror. We face a tough and determined enemy on all fronts, and we must not take any actions that would weaken our national security.
- The impact on gas prices of filling the SPR is negligible (quite possibly zero or just 1.0-2.5 cents per gallon).
- Senate Democrats could have acted to increase domestic supply by up to 1 million barrels per day by voting to open ANWR to environmentally sound oil and gas exploration. Had the previous Administration approved this action in 1995 when Congress authorized it, new oil supplies from ANWR would be available today.

Job growth has picked up. Do you have any predictions for how many jobs will be created this year?

- The Administration is pleased that 1.5 million jobs have been created since August. Our goal is to have everyone working who wants a job – but we are not going to predict future job numbers.

- To create more jobs, we must make sure America remains the best place in the world to do business. President's six-point plan:
 - Tax relief was vital to getting the economy moving again, and for the sake of job creation, it must be made permanent.
 - We need fewer regulations, so business owners can focus on their business rather than spending hours on paperwork.
 - We need legal reform to cut down on frivolous lawsuits. Even the threat of frivolous lawsuits puts a damper on job creation, investment, and expansion.
 - We need to address the high cost of health care and help the uninsured obtain coverage through association health plans, health savings accounts, and medical liability reform.
 - We need affordable and reliable supplies of energy so we can reduce our dependence on foreign oil.
 - Finally, we need to open more foreign markets to U.S. products and services.

What is the Administration doing to help the manufacturing economy?

- We've taken action to help stimulate the economy and promote an environment for job creation – for manufacturers and all American workers.
 - Tax relief, the four-fold increase in small business expensing and the bonus depreciation created real incentives for manufacturers to invest and grow for the future.
- We are beginning to see signs of a manufacturing recovery:
 - National manufacturing employment is up by 64,000 since its low in January;
 - More manufacturers have been reporting widespread increases than at any time in the last 20 years;
 - Manufacturers reported expansion in 19 out of their 20 industries in May; and
 - In March, new orders for manufactured durable goods saw the largest increase since July 2002.
- Continuing to work to help manufacturers. The six-point plan would be of particular benefit to manufacturers by offering them relief from rising health, energy, litigation costs, and expanded trade opportunities.
 - Health Care: Manufacturers tend to offer their employees health care benefits more often than other sectors.
 - Energy: Many manufacturers are large consumers of energy.
 - Litigation: Class action, asbestos, and medical liability reform would help, given that manufacturers offer health benefits.
 - Trade: Australia Free Trade Agreement as example of open trade on a level playing field.
 - Signed Tuesday, May 18th.
 - Eliminates nearly all tariffs on U.S. manufactured goods.
 - Will help American manufacturers sell another \$2 billion to Australia each year.

- The President has announced a new Assistant Secretary for Manufacturing, Al Frink, and has announced the establishment of the Administration's Manufacturing Council, which will be chaired by the Commerce Secretary and comprised of a diverse group of manufacturers.

What is your plan to make sure that American jobs are not increasingly outsourced?

- It is terrible to lose a job for any reason. Outsourcing is an issue that we face in a changing, global economy. The question is: How do we prepare American workers to compete in a global economy? The best way to do that is to:
 - Open markets and ensure fair trade – not retreat to isolationism;
 - Ensure that America remains the best place to do business by creating conditions for American companies to compete and outperform the world;
 - Create these conditions also to help attract foreign companies to set up shop in the United States and employ Americans – 6.4 million Americans work for foreign-owned firms; and
 - Lend a helping hand to those who have lost jobs and make sure that America's workers are trained and prepared to seize the opportunities of the future.
- The President's FY 2005 budget commits significant resources to help displaced workers find jobs.
 - Job training and employment assistance: The President's FY 2005 budget proposes \$23 billion for job training and employment assistance.
 - Jobs for the 21st Century: The President has proposed more than \$500 million for his new Jobs for the 21st Century initiative to prepare U.S. workers to take advantage of the better skilled, higher paying jobs of the future.
 - Trade Adjustment Assistance: In 2002, President Bush signed the law expanding the Trade Adjustment Assistance program, which will provide \$1.1 billion in FY 2005 for training and cash benefits for workers dislocated by increased imports or a shift of production to certain foreign countries.

Does the budget deficit threaten to harm the economy in the long run?

- Our budget reflects the country's most important priorities: fighting the war on terror and ensuring economic growth and recovery. The President will continue to provide whatever it takes to defend our country, protect our homeland, and promote economic security.
- Economic growth, fiscal discipline, and good stewardship of taxpayers' dollars will help us meet the President's goal of cutting the budget deficit in half in five years.

Shouldn't the Administration take a tougher stand on China?

- As we open new markets to U.S. exports, we are working to ensure a level playing field for American companies and workers by reducing trade barriers, working with trading partners to ensure they abide by their trade obligations, and resolving trade disputes because results are what matter most.
- We have enforced our trade laws to ensure that American companies and workers get a fair shake. To name a few examples with regard to China:
 - Filed first-ever WTO enforcement action against China for its discriminatory taxation of U.S. semi-conductors in a case that could broadly benefit U.S. manufacturers;
 - Invoked first-ever China WTO textile safeguard provision on three different product categories;
 - Pressed China to assure access for U.S. agricultural products, resulting in record American soybean exports to China;
 - Worked through the U.S.-China Joint Commission on Commerce and Trade to resolve trade disputes on important high-tech issues, agriculture, and intellectual property enforcement issues;
 - The Treasury Department has a robust ongoing dialogue with China on the issue of currency values. The best economic system is one based on free trade, free capital flows, and market-based flexible exchange rates.
- The Administration is focused on producing real results in our economic relationship with China. U.S. exports to China are growing at record levels – up 76% in the last three years, including the exports of products produced by small- and medium-sized businesses.

The Senate Intelligence Committee Report

Reaction to the Senate Intelligence Committee Report

- **We welcome the Committee's report and we agree that reform is necessary.** We appreciate the hard work of the Intelligence Committee to develop this report, and believe it will contribute to the broader intelligence reforms already under way.
- **Although we have not found stockpiles of weapons, we were right to go into Iraq, and America is safer today because we did.** We removed a declared enemy of America, who had the capability of producing weapons of mass destruction, and could have passed that capability or weapons to terrorists bent on acquiring them. In the world after September 11th, that was a risk we could not afford to take. The Administration acted in Iraq based on the accumulated weight of 15 years of intelligence that the President used, Congress used, the United Nations used, and the world used. If some of that intelligence was wrong, we need to find out why and take action to improve our capabilities.

Guiding Principles for Intelligence Reform

The President stands behind the men and women in our Intelligence Community who dedicate their lives to collecting and analyzing the intelligence that the President and senior policymakers need to protect our nation. And just as the Intelligence Community was reshaped to respond to the challenge of the Cold War, we must now take action to ensure that our intelligence services are prepared to more effectively deal with the threats of the 21st century — international terrorism and weapons of mass destruction.

Already, we have taken substantial steps to strengthen our intelligence capabilities and better defend our nation.

- We are transforming the FBI — strengthening its ability to gather intelligence and disrupt terrorists.
- We created the Terrorist Threat Integration Center, bringing together analysts from the FBI, CIA, Department of Homeland Security and other agencies, giving our leaders a more comprehensive and integrated picture of the threats facing America at home and abroad.
- We have passed the USA PATRIOT Act, which breaks down the unnecessary “wall” between intelligence gathering and law enforcement — a wall that hamstrung our counterterrorism efforts before 9/11.
- The President has appointed an independent commission — chaired by Governor and former Senator Chuck Robb and Judge Laurence Silberman — to look at American intelligence capabilities, especially our intelligence about weapons of mass destruction.

We will continue to make the necessary reforms that a post-September 11 world requires to help our dedicated intelligence professionals keep America safer. The Administration will carefully review the Committee's report — along with the upcoming report of the 9/11 Commission — as part of our efforts to further strengthen America's security. Based on what we already know, the President believes that any intelligence reform efforts should:

- **Increase both the quality and quantity of human intelligence collection — a key tool in disrupting terrorist attacks;**
- **Invest more in our technical intelligence capability so that we stay ahead of our enemies' changing communications technology and tactics; and**
- **Ensure the most effective and coordinated use of these resources and personnel, since there are multiple agencies with intelligence responsibilities.**

Strengthening and reforming our intelligence and counterterrorism capabilities is an imperative. It has always been a non-partisan issue — and it should stay that way.

Questions and Answers

Q: Knowing what we know now, was the war in Iraq justified? Did the Administration exaggerate its case?

Although we have not found stockpiles of weapons, we were right to go into Iraq, and America is safer today because we did. We removed a declared enemy of America, who had the capability of producing weapons of mass destruction, and could have shared that information with terrorists bent on acquiring them. In the world after September 11th, that was a risk we could not afford to take.

Q: Didn't the Administration place undue pressure on intelligence agencies on the issue of Iraq?

No. The Administration acted in good faith with the intelligence community. The Administration acted in Iraq based on the accumulated weight of 15 years of intelligence that the President used, Congress used, the United Nations used, and the world used.

Q: Did the Administration exaggerate Iraq's ties to al Qaeda and terrorism?

Iraq had clear ties to terrorism. The Administration knew Saddam had longstanding, direct, and continuing ties to a number of terrorist groups, including groups responsible for killing Americans. For example, the 9-11 Commission reported that a senior Iraqi intelligence officer reportedly made three visits to Sudan, finally meeting Osama Bin Ladin in 1994. Saddam Hussein also paid families of suicide bombers \$25,000, and sheltered the Abu Nidal Organization, headquartered in Baghdad until 1983, which has been responsible for terrorist attacks in 20 countries that killed or injured 900 people, including 12 Americans. Abu Nidal and his organization returned to Baghdad in 1998, where they remained until Nidal's death in August 2002.

The 9-11 Commission's recent staff report supports the Bush Administration's longstanding conclusion that there was no evidence of "collaboration" between Iraq and al-Qaeda on the 9-11 attacks against the United States. The Administration has said, however, that it was worried about a number of contacts between Iraq and al-Qaeda, including contacts between senior Iraqi intelligence officers and senior members of al-Qaeda. The Commission's investigation does not dispute that contacts between Iraq and al-Qaeda occurred.

The Administration also knew that Iraq was harboring a terrorist network headed by Zarqawi. Zarqawi, the senior al-Qaeda associate who was known to be in Baghdad, continues to undertake indiscriminate acts of terrorism today.

Q: Why is the President now supporting intelligence reform?

As the President has said many times, he is determined to make sure that American intelligence is as accurate as possible for every challenge we face. America's enemies are secretive, they are ruthless, and they are resourceful. And in tracking and disrupting their activities, our nation must bring to bear every tool and advantage at our command.

That's why on February 6 the President appointed an independent commission — chaired by Governor and former Senator Chuck Robb, and Judge Laurence Silberman — to look at American intelligence capabilities, especially our intelligence about weapons of mass destruction. The President's commission has a mission to examine intelligence on weapons of mass destruction and related 21st century threats and issue specific recommendations to ensure our capabilities are strong.

Senate Intelligence Committee Report on “Iraqi Links to Terrorism”

Conclusion 91. The Central Intelligence Agency’s (CIA) assessment that Iraq had maintained ties to several secular Palestinian terrorist groups and with the Mujahidin e-Khalq was supported by the intelligence. The CIA was also reasonable in judging that Iraq appeared to have been reaching out to more effective terrorist groups, such as Hizballah and Hamas, and might have intended to employ such surrogates in the event of war.

Conclusion 92. The Central Intelligence Agency’s examination of contacts, training, safehaven and operational cooperation as indicators of a possible Iraq-al-Qaida relationship was a reasonable and objective approach to the question.

Conclusion 93. The Central Intelligence Agency reasonably assessed that there were likely several instances of contacts between Iraq and al-Qaida throughout the 1990s, but that these contacts did not add up to an established formal relationship.

Conclusion 94. The Central Intelligence Agency reasonably and objectively assessed in *Iraqi Support for Terrorism* that the most problematic area of contact between Iraq and al-Qaida were the reports of training in the use of non-conventional weapons, specifically chemical and biological weapons.

Conclusion 95. The Central Intelligence Agency’s assessment on safehaven – that al-Qaida or associated operatives were present in Baghdad and in northeastern Iraq in an area under Kurdish control – was reasonable.

Conclusion 96. The Central Intelligence Agency’s assessment that to date there was no evidence proving Iraqi complicity or assistance in an al-Qaida attack was reasonable and objective. No additional information has emerged to suggest otherwise.

Conclusion 97. The Central Intelligence Agency’s judgment that Saddam Hussein, if sufficiently desperate, might employ terrorists with a global reach – al-Qaida – to conduct terrorist attacks in the event of war, was reasonable. No information has emerged thus far to suggest that Saddam did try to employ al-Qaida in conducting terrorist attacks.

Conclusion 102. The Committee found that none of the analysts or other people interviewed by the Committee said that they were pressured to change their conclusions related to Iraq’s links to terrorism...

President Bush on Senate Intelligence Committee Report

I appreciate the Senate's work. And I'll tell you why. Because one of the key ingredients to winning the war on terror is to make sure that our intelligence agencies provide the best possible intelligence to the chief executive — to the executive branch, as well as to the legislative branch. And so the idea that the Senate has taken a hard look to find out where the intelligence-gathering services went short is good and positive. And I commend the chairman of the committee for doing that.

We need to know. I want to know. I want to know how to make the agencies better, to make sure that we're better able to gather the information necessary to protect the American people. One of the key ingredients and one of the vital ingredients of keeping us safe is to gather the best intelligence we can gather.

And so this is a useful report. There's going to be a lot of talk about reform in Washington, reforms of the agencies. And I look forward to working with members of Congress to put out reforms that will work. A couple of ideas that I think make sense: One, we need to bolster human intelligence. In other words, one of the best ways to figure out what the enemy is thinking is to get to know the enemy firsthand, I guess is the best way to put it — is to have as much human intelligence as possible. Good quality intelligence and enough human intelligence agents, assets out there so that we can cover the globe.

Secondly, one of the key ingredients is to use our technologies to listen and look better. And so we've got to always make sure our intelligence agencies are on the cutting edge of change. And thirdly, there are quite a few intelligence-gathering agencies within Washington, and there needs to be better coordination between the agencies.

Now, having said that, I want — I haven't seen the report yet. I know it's quite critical. It's very important for our fellow citizens to know there's some really good people working hard in our intelligence-gathering agencies, taking risks for their lives, doing the very best job they can. I will remind them that there has been some failures — listen, we thought there was going to be stockpiles of weapons. I thought so; the Congress thought so; the U.N. thought so. I'll tell you what we do know. Saddam Hussein had the capacity to make weapons. See, he had the ability to make them. He had the intent. We knew he hated America. We knew he was paying families of suiciders. We knew he tortured his own people, and we knew he had the capability of making weapons. That we do know. They haven't found the stockpiles, but we do know he could make them. And so he was a dangerous man. He was a dangerous man. The world is better off without Saddam Hussein in power. America is safer. (Applause.)

I want to know the truth. I want to know the facts. I appreciate the fact-finders working hard, and I want to work to make it the very best system we can possibly have. Because we've got a duty to do for the American people. This war goes on. There's a mighty ideological struggle taking place. Remember, it is really — the better way to describe what's happening is, this is a war against an ideology which stands exactly opposite of what we believe. It's an ideology that can — if you just think, remember the Taliban — it's an ideology that brutalized people because of what they thought. It brutalized people because of how they worshiped. It brutalized people because of their gender. The exact opposite of what America stands for.

You see, we believe that you're as big a patriot if you worship the Almighty as if you don't. You have the freedom to do so. And if you choose to worship, whether it be as a Christian, Jew or Muslim, you're equally as patriotic as your neighbor. That's what we believe. You have the freedom to worship as you see fit in America.

That's the exact opposite of the dim view of the people who are trying to cause us harm. They use terror as a tool. So this is really a ideological struggle where the enemy is willing to use terror as a tool. And they kill innocent life because they know our good hearts break every time we see an innocent soldier die, and an innocent citizen die. They know the compassion we all feel. Forget political parties; all Americans grieve when we see a son or a daughter, a husband or wife, go down in combat. We weep when we see that. We care when suiciders bomb innocent children inside Iraq. That's the nature of our soul. And they know that.

And see, they want to use terror as a tool to drive us out. They want us to forget our duty. They want us to get scared and pale in the face of their horrific acts. They do not understand the American people. Yeah, we'll weep, but we will never cower in the face of killers and thugs.



Pentagon Briefing

July 8, 2004

A Weekly Report From the Department of Defense
www.defendamerica.mil www.pentagonchannel.mil

From the Podium

Secretary Rumsfeld Discusses Global Posture

"The Soviet Union's gone. That kind of an attack is not going to occur. Weapons have evolved, precision weapons have changed. The speed and precision have reduced the need for mass. Second, the fact that we could understand where the threats were going to come from in the last century, today we know the capabilities that can be used against us, but we can't anticipate where the threats are going to come from...So what we're doing is going to end up with adjusting the total number of forces we have around the world, modestly towards the United States and Guam and Hawaii (and) Alaska. It's going to reduce the number of permanent changes of stations slightly. I think people will have a better chance to see their children finish high school and spouses not have to change jobs so frequently. We will, in many respects, have increased the tooth-to-tail ratio. We'll have a more capable, more agile, more readily deployable force than in the past. And I think that the men and women in uniform are going to find it's a good thing for them. And there's no question but that it's a good thing for our country." ([transcript](#))

Secretary Donald H. Rumsfeld
Interview with The Pentagon Channel and AFPS
July 2, 2004

New Graduate



Vian, a recent graduate of Iraqi Army basic training in Amman, Jordan, holds rank insignia of captain she received on June 18, 2004. The training lasted 10 weeks. (U.S. Air Force photo by Staff Sgt Ashley Brokop)

IRAQI Reconstruction

For stories about progress on reconstruction in Iraq, link to DefendAmerica's Iraq reconstruction web page. ([link](#))

DoD's Six Transformation Goals

Defense officials have identified six transformational goals as part of the national defense strategy:

1. Protect the U.S. homeland and critical bases of operation.
2. Deny enemies sanctuary.
3. Protect and sustain power in access-denied areas.
4. Leverage information technology to connect troops and their operations.
5. Improve and protect information networks from attack.
6. Enhance space operations.

([link to DoD's transformation web page](#))

In the News

Iraq, Afghanistan Troop-Rotation Plans Announced

WASHINGTON, July 8 - Troop levels will stay the same for the next rotations of operations Iraqi Freedom and Enduring Freedom, Defense Department officials said today. Army Gen. John Abizaid, commander of U.S. Central Command, has requested 138,000 troops in support of 17 brigades for Iraqi Freedom 3. He also requested about 20,000 American soldiers for Afghanistan in support of three brigades for Enduring Freedom 6. ([story](#))

Emergency Measures, Not Desperate Attempts, Fill Troop Rotations

WASHINGTON, July 7 - Pentagon leaders faced tough questions on Capitol Hill on issues of deployment and force structure as the military gears up for another round of troop rotations in Iraq and Afghanistan. The next major rotation of troops signals the third of U.S. forces into Iraq, the sixth for Afghanistan. House Armed Services Committee members questioned whether measures by the Pentagon to call up 5,600 Individual Ready Reserve members to active duty and whether the pullout of thousands of troops from South Korea by the Pentagon for missions in Iraq and Afghanistan indicated a manpower crisis in the military. ([story](#))

DoD to Review Status of All Guantanamo Detainees

WASHINGTON, July 8 - Within 10 days, all 594 detainees held at the U.S. naval base at Guantanamo Bay, Cuba, will be informed of their right to contest their status under new procedures. Defense officials announced July 7 that they are setting up a series of hearings to give all detainees a forum to plead their case to a panel of three U.S. military officers, officially called a Combatant Status Review Tribunal. ([story](#)) ([release](#))

Second Class of Iraqi Female Soldiers Graduates

ZARQA MILITARY TRAINING BASE, Jordan, July 7 - Forty female Iraqi soldiers will graduate from the Jordanian Royal Military Academy here July 9, the second of three classes of this type planned to train at the academy, according to Office of Security Transition officials. "This is an innovation for this part of the world," said U.K. Army Col. Kim Smith, chief liaison officer for the Coalition Military Assistance Training Team. "At a certain stage in the battle, women will be needed." ([story](#))

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